



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JUL 18 2018

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

REPLY TO THE ATTENTION OF:

Mr. Adam Labkon
General Iron Industries, Inc.
1909 N. Clifton Ave.
Chicago, Illinois 60614

Re: Notice and Finding of Violation
General Iron Industries, Inc.
Chicago, Illinois

Dear Mr. Labkon:

The U.S. Environmental Protection Agency (EPA) is issuing the enclosed Notice and Finding of Violation (NOV/FOV) to General Iron Industries, Inc. (you) under Sections 113(a)(1) and 113(a)(3) of the Clean Air Act (CAA), 42 U.S.C. §§ 7413(a)(1) and 7413(a)(3). We find that you are violating and have violated the Illinois State Implementation Plan, Title V of the CAA, 42 U.S.C. §§ 7661a-7661f, and Section 114 of the CAA, 42 U.S.C. § 7414, at your facility in Chicago, Illinois.

Section 113 of the CAA gives the EPA several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

While we have been in discussions with you for some time regarding conditions at your facility, the emissions tests you have performed, and possible options for pollution controls, this letter provides formal notice of the violations, and offers you an opportunity to confer with us about those violations as alleged in the NOV/FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the NOV/FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Mr. Scott Connolly. You may call or email him at (312) 886-1493 or connolly.scott@epa.gov to request a conference. You may also have your attorney contact Erik Olson at (312) 886-6829 or olson.erik@epa.gov. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward Nam", with a stylized flourish at the end.

Edward Nam
Director
Air and Radiation Division

Enclosure

cc: Julie Armitage, Chief, Bureau of Air

Ann Zwick
Freeborn and Peters LLP
311 South Wacker Drive
Suite 3000
Chicago, IL 60606

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:

General Iron Industries, Inc.

Chicago, Illinois

Proceedings Pursuant to
Section 113(a)(1) of the
Clean Air Act, 42 U.S.C.
§ 7413(a)(1)

**NOTICE AND FINDING
OF VIOLATION**

EPA-5-18-IL-14

NOTICE AND FINDING OF VIOLATION

The U.S. Environmental Protection Agency (EPA) is issuing this Notice and Finding of Violation (NOV/FOV) under Sections 113(a)(1) and 113(a)(3) of the Clean Air Act (CAA), 42 U.S.C. §§ 7413(a)(1) and 7413(a)(2). EPA finds that General Iron Industries, Inc. (General Iron) is violating Section 114(a)(1) of the CAA, 42 U.S.C. § 7414, Title V of the CAA, 42 U.S.C. §§ 7661a-7661f, and the Illinois State Implementation Plan (SIP), as follows:

Statutory and Regulatory Background

1. The Administrator of EPA may require any person who owns or operates an emission source who is subject to any requirement of the CAA to provide information required by the Administrator under Section 114(a)(1) of the CAA, 42 U.S.C. § 7414(a)(1). The Administrator has delegated this authority to the Director of the Air and Radiation Division.
2. Title V of the CAA, 42 U.S.C. §§ 7661a-7661f, establishes an operating permit program for certain sources, including "major sources" and "major stationary sources."
3. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b) provide that, after the effective date of any permit program approved or promulgated under Title V of the CAA, no source subject to Title V may operate except in compliance with a Title V permit.
4. 40 C.F.R. § 70.1(b) provides that all sources subject to the Part 70 regulations shall have a permit to operate that assures compliance by the source with all applicable requirements, as defined in 40 C.F.R. § 70.2.
5. Section 503(c) of the CAA, 42 U.S.C. § 7661b(c), and 40 C.F.R. § 70.5(a) provide that any person required to have a permit under Title V must timely submit an application for a permit.

6. U.S. EPA granted full approval to the Illinois Title V operating permit program (CAAPP) on December 4, 2001, set forth at 415 Illinois Compiled Statutes (ILCS) Section 5/39.5. The program became effective on November 30, 2001. 66 Fed. Reg. 62946.
7. Section 39.5(6)(b) of the Illinois Environmental Protection Act states that no person shall operate a CAAPP source without a CAAPP permit unless a CAAPP permit or renewal application has been timely submitted. 415 ILCS § 5/39.5(6)(b).
8. Section 502 of the CAA, 42 U.S.C. § 7661a, applies to all major stationary sources, defined at Section 501 of the CAA, 42 U.S.C. § 7602.
9. Section 39.5 of the Illinois Environmental Protection Act applies to any source defined as a major source or major stationary source. 415 ILCS § 5/39.5(2)(a)(ii).
10. The definition of “major stationary source” includes any stationary source located in a “marginal” or “moderate” ozone non-attainment area that emits or has the potential to emit 100 tons per year or more of volatile organic compounds. 415 ILCS § 5/39.5(2)(c)(iii).
11. Section 110 of the CAA, 42 U.S.C. § 7410, requires each state to adopt and submit to EPA for approval a SIP that provides for the implementation, maintenance, and enforcement of the National Ambient Air Quality Standards (NAAQS).
12. The Administrator of the EPA approved Illinois’ plan for the attainment and maintenance of the NAAQS under Section 110 of the CAA. *See* 40 C.F.R. § 52.722 and 55 Fed. Reg. 40661 (October 4, 1990).
13. On May 31, 1972, EPA approved Section 201.122 of Title 35 of the Illinois Administrative Code (IAC) as part of the federally enforceable Illinois SIP. 37 Fed. Reg. 10862.
14. 35 IAC § 201.122 states that evidence that specified air contaminant emissions, as calculated on the basis of standard emission factors or other factors generally accepted as true by those persons engaged in the field of air pollution control, exceed the limitations prescribed under 35 IAC, Chapter 1, shall constitute adequate proof of a violation, in the absence of a showing that actual emissions are in compliance.
15. On September 9, 1994, EPA approved Part 211 of the IAC as part of the federally enforceable Illinois SIP. 59 Fed. Reg. 46567.
16. 35 IAC § 211.3690 defines “maximum theoretical emissions” as the quantity of volatile organic material emissions that theoretically could be emitted by a stationary source before add-on controls based on the design capacity or maximum production capacity of the source and 8760 hours per year.
17. 35 IAC § 211.4970 defines “potential to emit” as the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design.

Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restriction on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation is federally enforceable. *See also* 40 C.F.R. § 70.2; 415 ILCS § 5/39.5(1).

18. On February 21, 1980, EPA approved 35 IAC § 212.301 as part of the federally enforceable Illinois SIP. 45 Fed. Reg. 11493.
19. 35 IAC § 212.301 states that no person shall cause or allow the emission of fugitive particulate matter from any process, including any material handling or storage activity, that is visible by an observer looking generally toward the zenith at a point beyond the property line of the emission source.
20. On March 12, 1997, EPA approved 35 IAC § 218.980, as part of the federally enforceable SIP. 62 Fed. Reg. 11327.
21. 35 IAC § 218.980(a)(1) states that a source is subject to 35 IAC Part 218, Subpart TT, if it contains process emission units not regulated by the Subparts identified in 35 IAC § 218.980(a)(1), which as a group have a maximum theoretical emissions of 100 tons or more per calendar year of volatile organic matter (VOM) and are not limited to less than 100 ton of VOM emissions per calendar year in the absence of air pollution control equipment through production or capacity limitations contained in a federally enforceable permit or SIP revision.
22. 35 IAC § 218.980(b)(1) states, in pertinent part, that a source is subject to 35 IAC Part 218, Subpart TT, if it has the potential to emit 25 tons or more of VOM per year, in aggregate, from emission units, that are not regulated by the Subparts identified in 35 IAC § 218.980(b)(1)(A) and not included in the categories listed in 35 IAC § 218.980(b)(1)(B).
23. On October 21, 1996, EPA approved 35 IAC §§ 218.986 and 987, as part of the federally enforceable SIP. 61 Fed. Reg. 54556.
24. 35 IAC § 218.986 states that every owner or operator of an emission unit subject to 35 IAC Part 218, Subpart TT shall comply with 35 IAC § 218.986(a).
25. 35 IAC § 218.986(a) requires every owner or operator to operate emission capture and control equipment which achieves an overall reduction in uncontrolled VOM emissions of at least 81 percent from each emission unit.
26. 35 IAC §§ 218.987 and 218.106(c) require every owner or operator of an emission unit which is subject to 35 IAC Part 218, Subpart TT to comply with the requirements of 35 IAC Part 218, Subpart TT, by March 15, 1995.

Findings

27. General Iron owns and operates a metal shredding and recycling facility at 1909 North Clifton Ave, Chicago, Illinois (Facility), which is located in Cook County.
28. Cook County is part of the Chicago-Naperville, IL-IN-WI nonattainment area which is classified as “marginal” or “moderate.”
29. General Iron stores, processes, and recycles ferrous and non-ferrous scrap metals from cars and post-consumer sheet metal at the Facility.
30. Scrap metal is shredded in a hammermill shredder at the Facility.
31. On or about June 13, 2017, May 24 & 25, 2018 and June 13, 2018, EPA conducted onsite inspections at the Facility, including inspections during emissions testing conducted by the Facility.
32. On or about November 11, 2017, EPA issued a Section 114 Information Request (2017 Information Request) to General Iron regarding the Facility. The 2017 Information Request, among other things, required General Iron to conduct emission testing at the facility and to provide the results of the emission testing to EPA. The required emissions testing included evaluations of VOM, particulate matter (PM) and metals emissions.
33. On December 13, 2017 and May 21, 2018, General Iron met with EPA to discuss the 2017 Information Request.
34. General Iron conducted testing as required by the 2017 Information Request on May 24, 2018, May 25, 2018, including testing for VOM, PM, and metals emissions, and on June 13, 2018 and June 14, 2018, including testing for PM and metals emissions.
35. During the May 24 & 25, 2018 inspection, EPA observed and recorded hydrocarbons exiting the hammermill shredder with a FLIR infrared camera.
36. During the June 13, 2018 inspection, EPA observed fugitive particulate matter emitted from the hammermill shredder crossing the property line.
37. On or about December 12, 2017 and June 27, 2018, General Iron provided responses to the 2017 Information Request, including the results of emissions testing for VOM conducted on May 24 and 25, 2018 and emissions testing for PM and metals conducted on June 13 and 14, 2018.
38. General Iron did not provide to EPA the results of the emissions testing for PM and metals conducted on May 24 and 25, 2018.
39. Based on the results of the emissions testing, the Facility emits or has the potential to emit more than 100 tons per calendar year of volatile organic compounds.

40. General Iron is a “major source” as defined at 42 U.S.C. § 7661(2) and 415 ILCS § 5/39.5(2)(c)(i).
41. By operating as a major source, General Iron is subject to the requirements of the CAA’s Title V, 42 U.S.C. §§ 7661a-7661f, at the Facility.
42. To date, General Iron has not submitted a complete CAAPP permit application to Illinois EPA.
43. To date, General Iron has not received a CAAPP permit from Illinois EPA.
44. Based on the December 12, 2017 response and the results of the emissions testing, the hammermill shredder at the Facility has maximum theoretical emissions rate of more than 100 tons per calendar year of VOM.
45. Based on the December 12, 2017 response and the results of the emissions testing, the hammermill shredder alone emits 25 tons or more of VOM per year.
46. To date, General Iron does not have any emission capture or control equipment that achieves an overall reduction of uncontrolled VOM emissions of at least 81 percent at the hammermill shredder nor does it have in place a federally enforceable alternative control plan that achieves an overall reduction of uncontrolled VOM emissions of at least 81 percent at the hammermill shredder.

Violations

47. By failing to submit a timely and complete CAAPP permit application to Illinois EPA, General Iron has violated of Section 503 of the CAA, the regulations at 40 C.F.R. §§ 70.5(a) and 70.7(b), and the Illinois Environmental Protection Act at 415 ILCS § 5/39.5(4)(c).
48. By operating as a major stationary source without a Title V permit, General Iron has violated Section 502 of the CAA, the regulations at 40 C.F.R. §§ 70.1(b) and 70.7(b), and the Illinois Environmental Protection Act at 415 ILCS § 5/39.5(6)(b).
49. General Iron allowed fugitive particulate matter from the hammermill shredder that was visible by an observer looking generally toward the zenith to cross the property line of the Facility on at least June 13, 2018, in violation of 35 IAC § 212.301 and the SIP.
50. To date, General Iron has failed to install any emission capture or control equipment that achieves an overall reduction of uncontrolled VOM emissions of at least of 81 percent at the hammermill shredder or, alternatively, obtain a federally enforceable equivalent control plan at the hammermill shredder, in violation of 35 IAC § 218.986(a) and the SIP.


51. To date, General Iron has failed to provide the results of the May 24 and 25 PM and metals emissions testing as required by the 2017 Information Request, in violation of Section 114 of the CAA, 42 U.S.C. § 7414.

Environmental Impact of Violations

52. These violations can cause and have caused excess emissions of VOMs and particulate matter.
53. VOMs are photochemical oxidants associated with a number of detrimental health effects, which include birth defects and cancer, as well as environmental and ecological effects. In the presence of sunlight, VOMs are influenced by a variety of meteorological conditions and have the ability to create photochemical smog. VOMs react with oxygen in the air to produce ground-level ozone.
54. Breathing ozone contributes to a variety of health problems including chest pain, coughing, throat irritation, and congestion. It can worsen bronchitis, emphysema, and asthma. Ground-level ozone also can reduce lung function and inflame lung tissue. Repeated exposure may permanently scar lung tissue.
55. Particulate matter, especially fine particulates, contains microscopic solids or liquid droplets, which can get deep into the lungs and cause serious health problems. Particulate matter exposure contributes to:
- irritation of the airways, coughing, and difficulty breathing;
 - decreased lung function;
 - aggravated asthma;
 - chronic bronchitis;
 - irregular heartbeat;
 - nonfatal heart attacks; and
 - premature death in people with heart or lung disease.

Date

7/18/18


Edward Nam

Director

Air and Radiation Division

CERTIFICATE OF MAILING

I certify that I sent a Notice of Violation, No. EPA-5-18-IL-14, by Certified Mail, Return

Receipt Requested, to:

Adam Labkon
Vice President
General Iron Industries Inc.
1909 North Clifton Street
Chicago, IL 60608

I also certify that I sent copies of the Notice of Violation by email to:

Julie Armitage
Chief
Bureau of Air
Julie.armitage@Illinois.gov

Ann Zwick
azwick@freeborn.com

On the 19th day of July 2018.



Kathy Jones
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7017 1070 0000 1030 0162

